

CITY COUNCIL AGENDA ITEM COVER MEMO

Agenda Item Number _____

Meeting Type: Regular

Meeting Date: 4/9/15

Action Requested By:
Finance

Agenda Item Type
Resolution

Subject Matter:

Fund Balance Classification

Exact Wording for the Agenda:

Resolution to classify the fund balance of the General Fund consistent with the requirements of state law, City ordinances and resolutions, and accounting standards, as of October 1, 2014.

Note: If amendment, please state title and number of the original

Item to be considered for: Introduction Unanimous Consent Required: No

Briefly state why the action is required; why it is recommended; what Council action will provide, allow and accomplish and; any other information that might be helpful.

Associated Cost:

Budgeted Item: Not applicable

MAYOR RECOMMENDS OR CONCURS: Yes

Department Head: [Signature]

Date: 4/1

RESOLUTION NO. 15 - _____

WHEREAS, the City should take action to appropriately classify the fund balance of the General Fund consistent with the requirements of state law, City ordinances and resolutions, and accounting standards.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Huntsville, Alabama, that the following classifications are made of the fund balances of the General Fund, for the reasons herein noted, as of October 1, 2013:

Purpose	Ref.	Amount
Restricted:		
Municipal court training and equipment	1	\$249,607
Jail construction (debt service)	2	244,986
Committed:		
Recreation projects	3	963,953
Tourism activities	4	509,363
Tourism activities - 2013	5	911,594
Assigned:		
Cemetery improvements	6	2,204,459
Jail capital repairs	7	1,000,000
Unassigned:		
Contingency reserve	8	\$27,859,170

References:

Restricted generally refers to requirements imposed externally, such as by state law or by contract.

- (1) Certain court fines restricted by state law for municipal court use.
- (2) Certain court fines restricted by state law for jail construction, which the City uses to make payments on Public Building Authority lease.

Committed generally refers to requirements imposed by Council action prior to the end of the year, such as ordinances that earmark revenue.

- (3) Council restriction, by separate ordinance, of the one-percent lodgings tax used for recreation projections, from which the City makes debt service payments related to recreation facility construction.
- (4) Council restriction, by separate ordinance, of the liquor and all other lodging taxes for tourism development, a portion of which is further designated for the Von Braun Center and Huntsville Convention & Visitors Bureau.
- (5) Council restriction, by separate ordinance, of the 1% 2013 lodging tax for tourism development.

Assigned generally refers to the Council's intention to use funds for a specific purpose, which were not committed as explained above.

- (6) Proceeds from the sale of Maple Hill Cemetery lots beginning in 2005 for the improvement of the cemetery.
- (7) Future capital maintenance of the Municipal Justice & Public Safety Center.
- (8) Contingencies reserve equal to 11.5 percent of the General Fund adopted recurring revenue budget of the current fiscal year.

ADOPTED this the 9th day of April, 2015.

President of the City Council of
the City of Huntsville, Alabama

APPROVED this the 9th day of April, 2015.

Mayor of the City of
Huntsville, Alabama